

Note: This is a facsimile copy. The original contains a signature.

Internal Revenue Service

**Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201**

CITY OF NORTHAMPTON
% TREASURER
210 MAIN ST RM 5
NORTHAMPTON MA 01060-3110

Person to Contact:
DALPHENE NAEGELE 31-04012
CUSTOMER SERVICE SPECIALIST
Toll Free Telephone Number:
877-829-5500
Federal Identification Number:
04-6001406

Dear Sir/Madam:

This is in response to your request of March 30, 2006, regarding your organization's exemption from Federal income tax.

As a governmental unit or a political subdivision thereof, your organization is not subject to Federal income tax under the provisions of Section 115(1) of the Internal Revenue Code, which states in part:

“Gross income does not include income derived from ... the exercise of any essential governmental function and accruing to a State or any political subdivision thereof ...”

Because your organization is a governmental unit or a political subdivision thereof, its income is not taxable as explained above. Contributions used exclusively for public purposes are deductible under Section 170(c)(1) of the Code.

Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Your organization may obtain a letter ruling on its status under section 115 by following the procedures specified in Rev. Proc. 2004-1 or its successor.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

for Janna K. Skufca, Director, TE/GE
Customer Account Services